



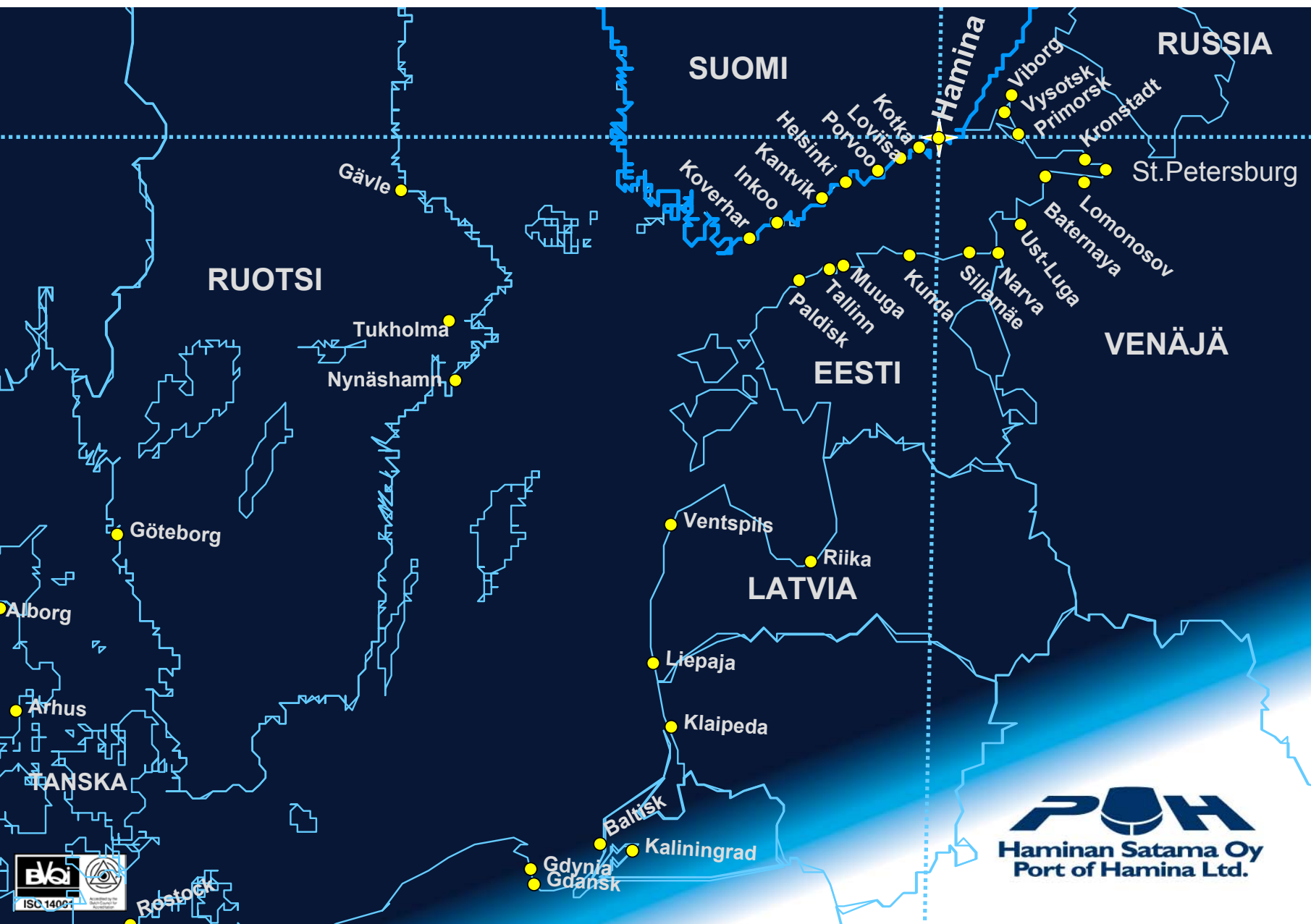
Port financing

in the Port of Hamina

12.6.2007

Seppo Herrala / Port of Hamina Ltd.





PORT OF HAMINA - TODAY

✓ Land Area –

500 hectares of land Area, 300 hectares in use, 200 hectares in reserves



PORT OF HAMINA Ltd. - TODAY

Port of Hamina Ltd.

**Shares owned by the
City of Hamina by 100 %
No. of employees 37**

- Leased the land from the City for running the port business
- To provide and develop port and transportation services
- To develop and expand business

**Turnover 10 M€ Parent
Group n. 20M€**

Revenues

- Dues on vessels and goods, land leasing, cranes & services such as mooring and unmooring of vessels

Expenditures

- Investments, maintenance, materials, services and personnel



PORT OF HAMINA - TODAY

✓ *Traffic of 5 million tonnes in 2006*

Liquid Bulk

35 %

1,7 MTON

Forest Industry products

38 %

1,9 MTON

Containers

20 %

1,0 MTON

167 000 TEU

Inbound Transit Vehicles

11 000 units

Trucks & trailers

7 %

0,3 MTON

20 200 Units



POH
Haminan Satama Oy
Port of Hamina Ltd.

PORT OF HAMINA - TODAY

The most productive container terminal in the Baltic Sea

Over 30 moves / Crane / Hour

✓ *Productivity and different labour approach*



Hamburg- Hamina



PORT OF HAMINA - Stevedoring

Timca TrafExpress container operations in Progress. More than 100 Containers / hour with 3 cranes

HMT⁺



Con-Ro

YOUR
BEST
MOVE

PORT OF HAMINA - Value Added Logistics

DHL – Logistic Centre
23 000 sqm



DHL 20 000 m²
Completed in 2005



PORT OF HAMINA - Value Added Logistics



ISO 14001
BUREAU VERITAS
Certification



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Haminan Satama Oy
Port of Hamina Ltd.

PORT OF HAMINA - Value Added Logistics



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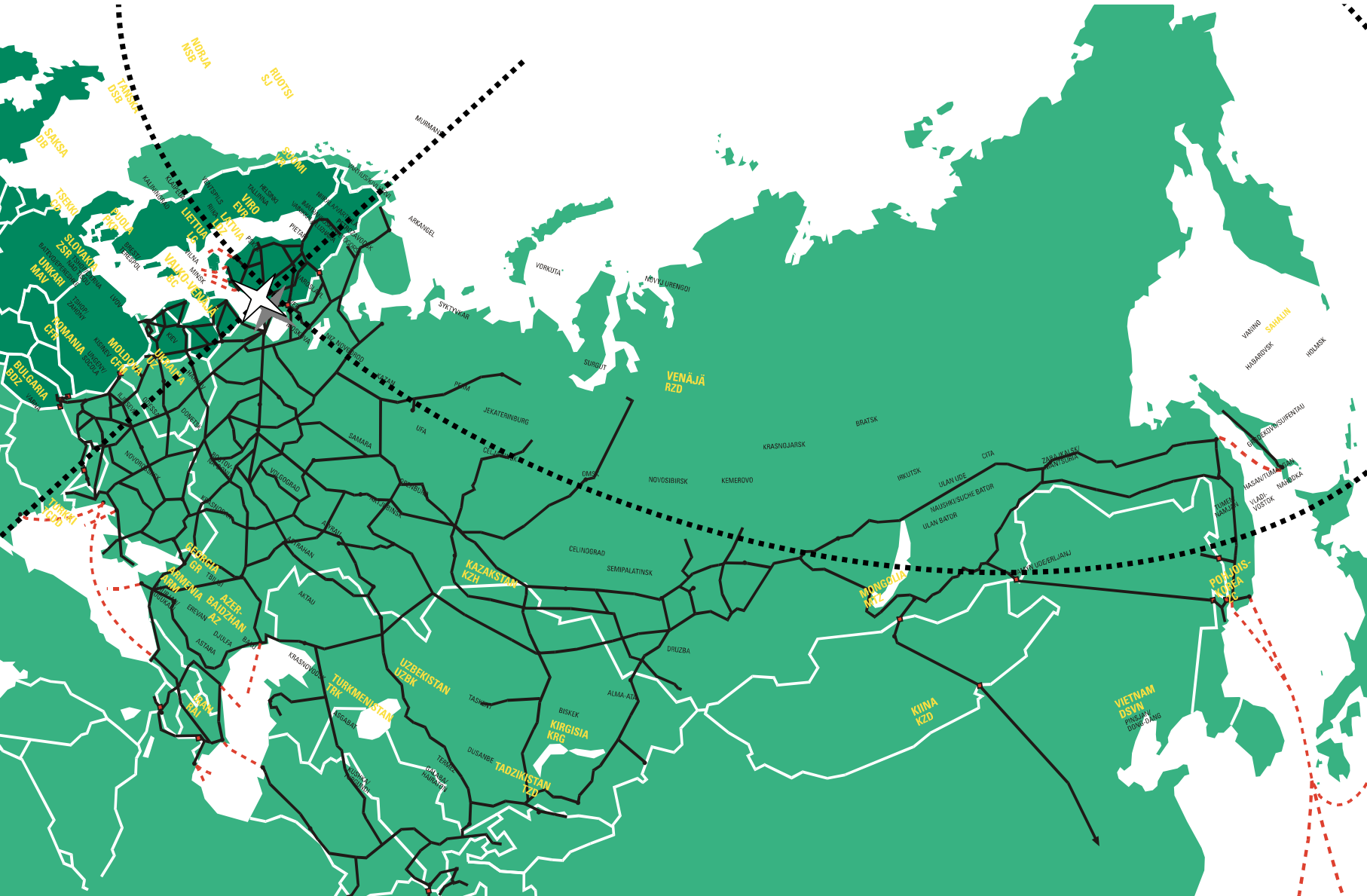


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Port of Hamina Ltd.

PORT OF HAMINA - The Railway Terminal



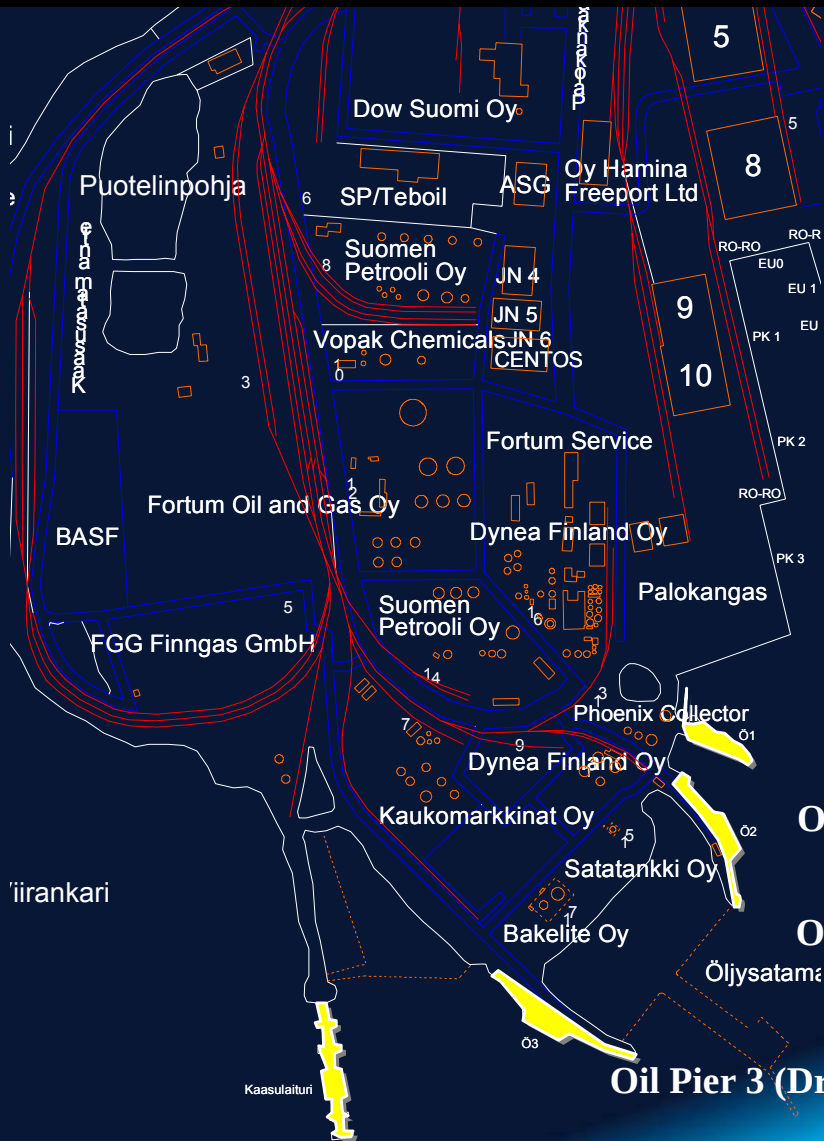
PORT OF HAMINA - The Railway Terminal



Oil Port since 1960



PORT OF HAMINA - Oil Port and Industrial Plants



Terminals and Trading Co. Syrveying Co.

Suomen Petrooli Terminal
Teboil
Neste Oil
Kaukomarkkinat
Vopak
FGG Finngas GmbH
Baltic Tank
Bakelite

SGS
Saybolt

Services

Fortum Service
SE Finland Ltd.
Saimaallines

Production Plants

BASF Hamina Plant
DOW Finland Ltd.
Dynea Finland Oy
J.M. Huber
Suomen Petrooli Lub. Plant

Oil Pier 1 (Draught 9 meters)

Oil Pier 2 (Draught 10 meters)

Oil Pier 3 (Draught 10 meters)

LPG Pier (Draught 10 meters)



PORT OF HAMINA - Oil Port and Industrial Plants

5 plants, 6th under construction



dynea



BASF
The Chemical Company



Dow

TEBOIL

OY TEBOIL AB
SUOMEN PETROOLI OY



HUBER

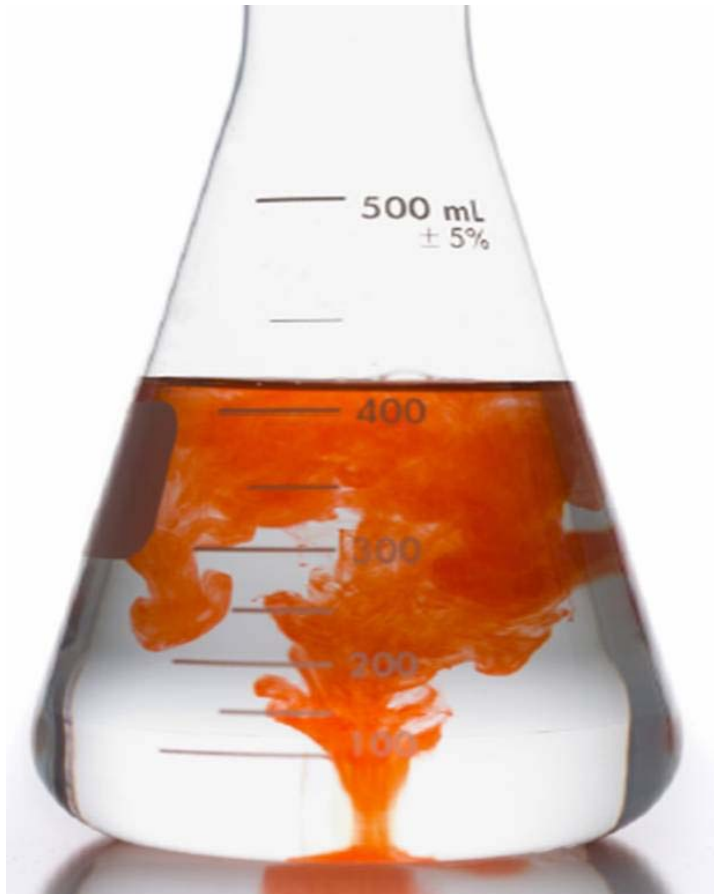
A FAMILY OF SOLUTIONS

PORT OF HAMINA - Oil Port and Industrial Plants

One of a kind industrial site in Finland

There are 17 different Oil trading, storage, production plants and service companies

Employs 450 persons in Hamina port



BASF Global sales 2005 42,7 Billion €
81,000 Employees in five continents.

In Hamina 60 M€ investment 2000-2002

Plant produces latexes for paper industry to improve printing qualities and strength

Dow Global sales 2005 46,3 Billion USD
42,000 Employees 175 countries

Dow Suomi Oy Haminan plant manufactures styrene-butadien latex

Plant produces latexes for paper industry to improve printing qualities and strength

Dynea Global sales 2005 1,2 Billion €
3 000 employees 52 countries.

Leading manufacturer of adhesives used by the wood and particle board industry

Hamina plant makes adhesives for plywood/board industry.

Hamina is the no.1 port for loading of plywood products in Finland

J.M.Huber Revenues in excess of 1 Billion USD
Est.1883 family owned chemical company

Hamina plant produces filling material which is used by the paper industry, toothpaste manufacturers

R&D Unit transferred from Copenhagen to Hamina

Financial management operations of European Plants is executed from Hamina

Teboil Lubricants

Hamina plant produces basic lubricating material for all oil companies

Majority of shares owned by the second largest Russian Corporation, Lukoil

New Industrial Plant to be constructed L&T Recoil in 2007

The Plant regenerates used lubricating oil for lubricating industry

The 20 M€ investment is one of the significant industrial investments in 2007.

The plant employs 20 persons when it becomes operational in 1st Q 2008



PORT OF HAMINA - Investing 100 M€ for the Future



New access road under construction, to be completed by november 2007

ISO 14001
BUREAU VERITAS
Certification



POH
Haminan Satama Oy
Port of Hamina Ltd.

PORT OF HAMINA - Investing 100 M€ for the Future

The Fairway Deepening from 10.00 m to 12,5 meters in 2008 – 2010

The max vessel size increases from approx. 40 000 DWT to 70 000 DWT

Port of
Hamina

Hamina

HARC 2005-2010



Current 8,6 access draught fairway

Current 10, 0 meter fairway

New 12,5 access draught Fairway,
with "Common Otter" short Cut

Current 8,6 ja 10, 0 meter fairway to Pilot station

PORT OF HAMINA - Investing **100 M€ for the Future**

Gatehouse expansion project

3Q 2006 – 2Q 2007



Growth rate of selected economies 2004-2007

ALLIANZ 12/2005	2004	2005	2006	2007f
Finland	3,4	2,9	3,5	2,5
<i>Estonia</i> *	6,7	9,8	9,5	8,0
Russia	7,0	6,4	6,5	5,7
Germany	1,6	0,9	2,5	1,4
Euro area	2,1	1,4	2,7	2,1
EU	2,3	1,4	2,6	2,1
China	9,5	10,2	10,3	9,0
USA	4,2	3,2	3,3	2,3
Japan	2,7	1,9	2,1	2,0

*) Lähde;Viro:<http://www.trade-finland.com/searchpage.asp?Section=1&Item=77055>

Rule of thumb for traffic growth

used to be = 2 x GDP growth rate

In multimodal transport the growth rate is

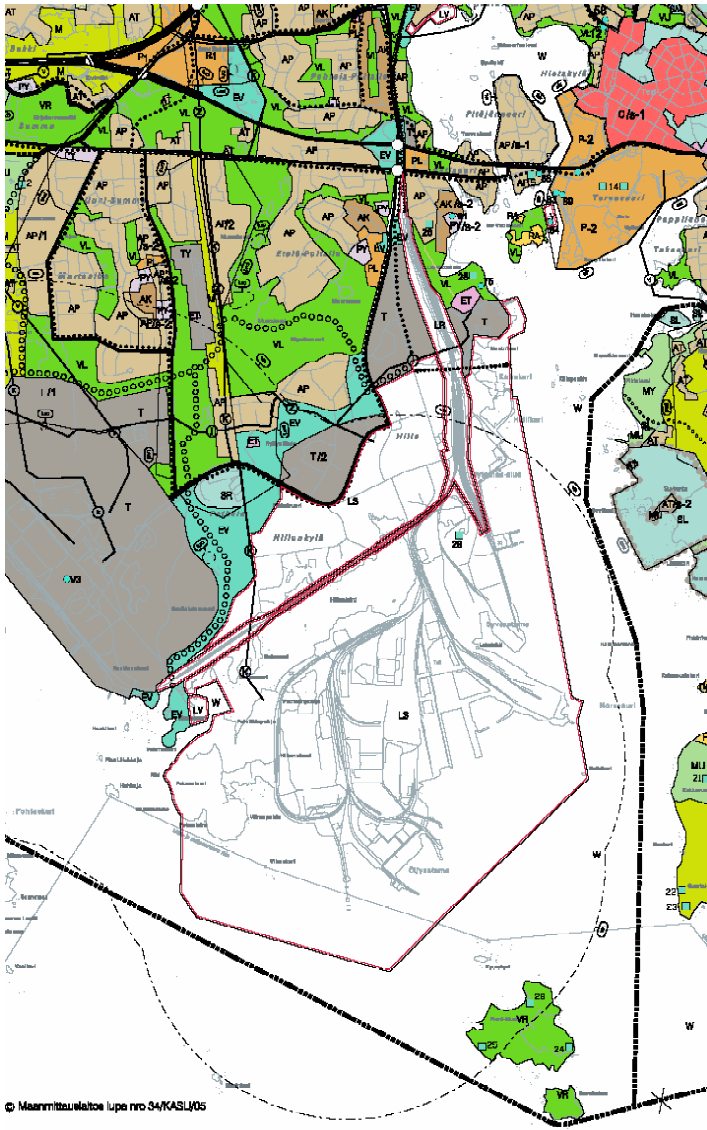
2 to 6 x GDP growth rate

Three speakers (from HongKong University, Drewry and Hutchinson Port Holdings) in
BPO IX General Assembly Stockholm, 31 May 2006

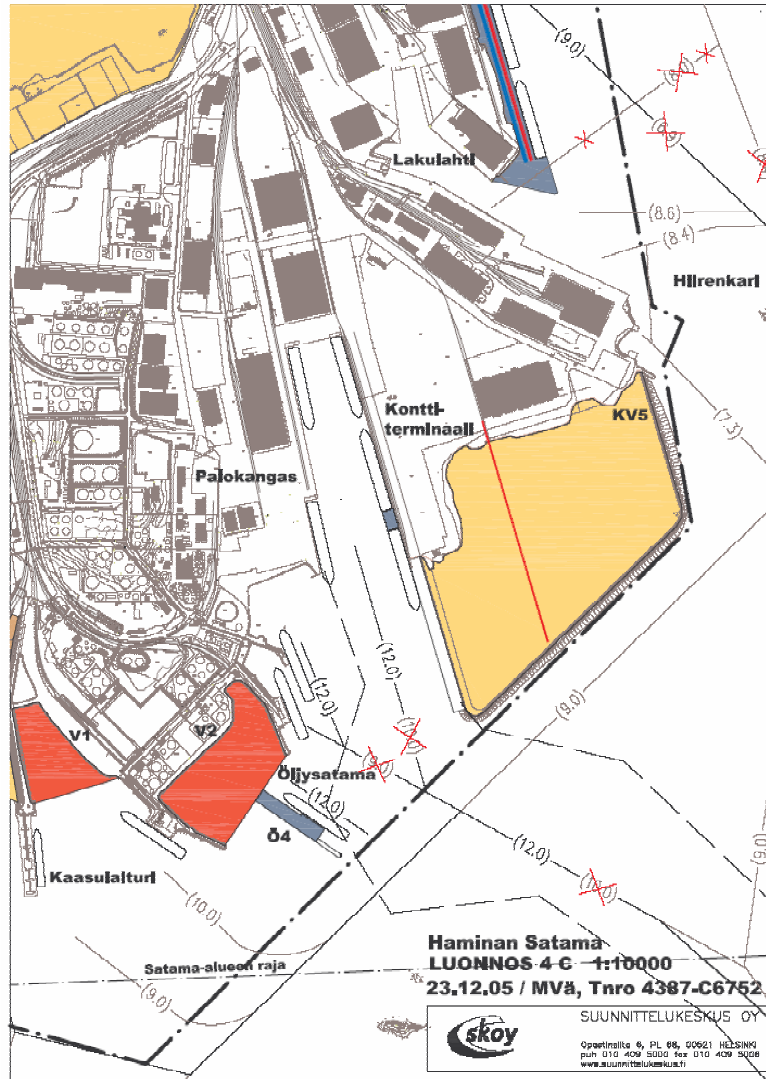


Port of Hamina Ltd.

- **A common port**
- **Incorporated in year 2000**
- **All shares owned by town of Hamina – at the moment.**
- **The idea was to sell part of the shares and increase own equity and risk taking ability.**
- **Two common ports in Finland have Ltd.co. structure.**

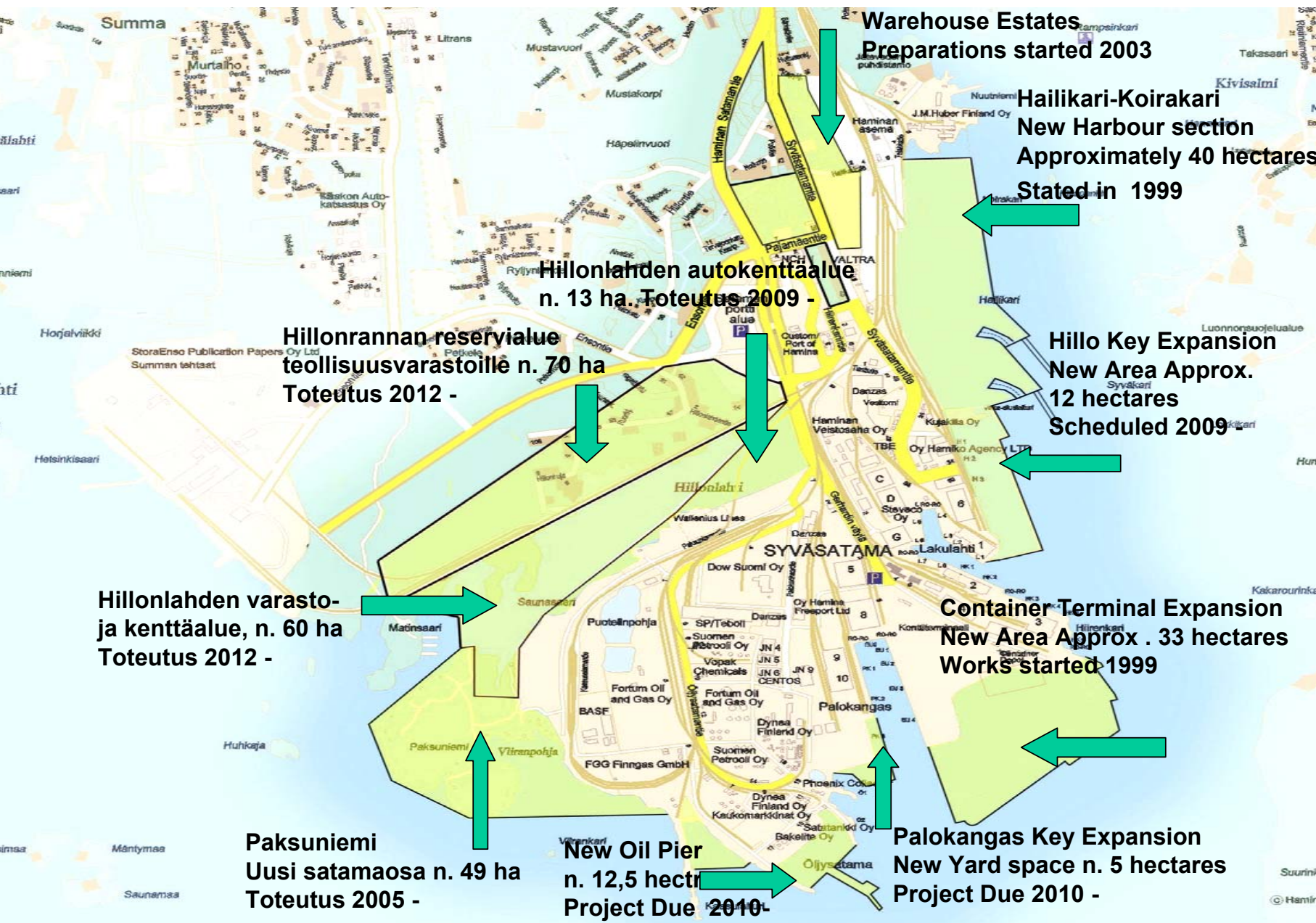


Port financing in Hamina



Finnish ports in general.

- Out of more than 60 ports 21 are kept open all year round by icebreaker service of the state.
- There are common ports, private ports and industrial ports.
- Most common ports are today municipal business entities i.e. parts of towns with own book-keeping and municipal decision making and financing.
- It is fashionable in Finland to require a reduction of ports' number. Reasons being stated as economies of scale i.e. thin cargo flows and icebreaking costs in 21 ports.



Warehouse Estates
Preparations started 2003

Hailikari-Koirakari
New Harbour section
Approximately 40 hectares
Stated in 1999

Hillonlahden autokenttäalue
n. 13 ha. Toteutus 2009 -

Hillonrannan reservialue
teollisuusvarastoille n. 70 ha
Toteutus 2012 -

Hillo Key Expansion
New Area Approx.
12 hectares
Scheduled 2009 -

**Hillonlahden varasto-
ja kenttäalue, n. 60 ha**
Toteutus 2012 -

Container Terminal Expansion
New Area Approx . 33 hectares
Works started 1999

Paksuniemi
Uusi satamaosa n. 49 ha
Toteutus 2005 -

New Oil Pier
n. 12,5 hectr
Project Due 2010 -

Palokangas Key Expansion
New Yard space n. 5 hectares
Project Due 2010 -

Traditional investment responsibility division in Finnish common ports since recently. Revenue, if any, accordingly.

Infrastructure. Town and / or Port authority

- *Suprastructure. (w/h's, buildings, etc.) Normally service companies, industries, shippers, forwarders, but also port authorities.*
- *Cranes and large loaders unloaders. Railmounted used to be port authority. Mobile cranes or eqp. could be service firms or both.*
- *Cargo handling equipment. Service providers, stevedores*
- *Fairways to ports. The state*
- *Fairways and basins inside the port. Port authority or/and town.*
- *Roads and rails. State. Port or town inside.*



KONTTITERMINAALIN
LAAJENNUS

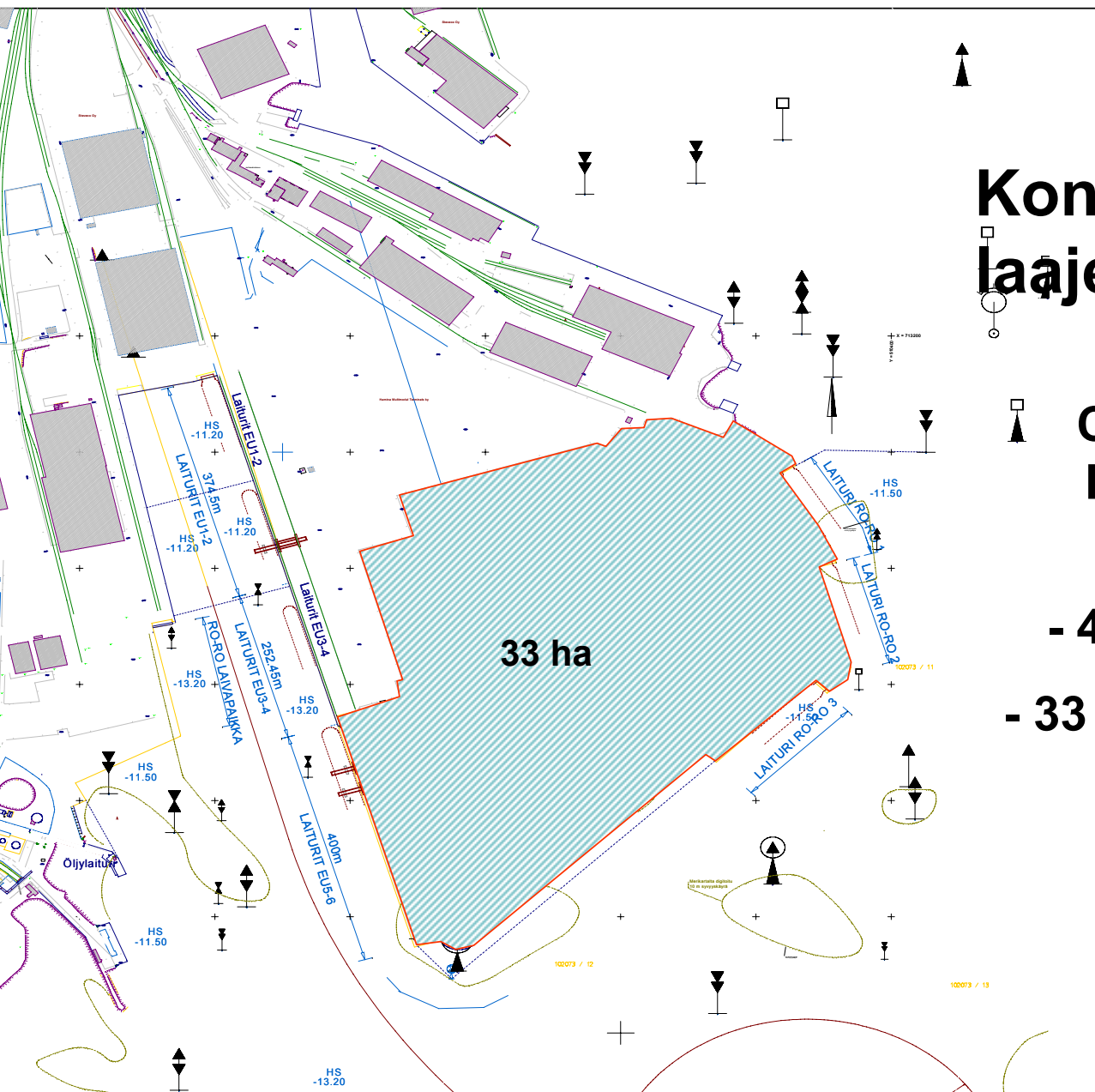
CONTAINER TERMINAL EXPANSION

Konttiterminaalin laajennusprojekti

Container terminal
Expansion project

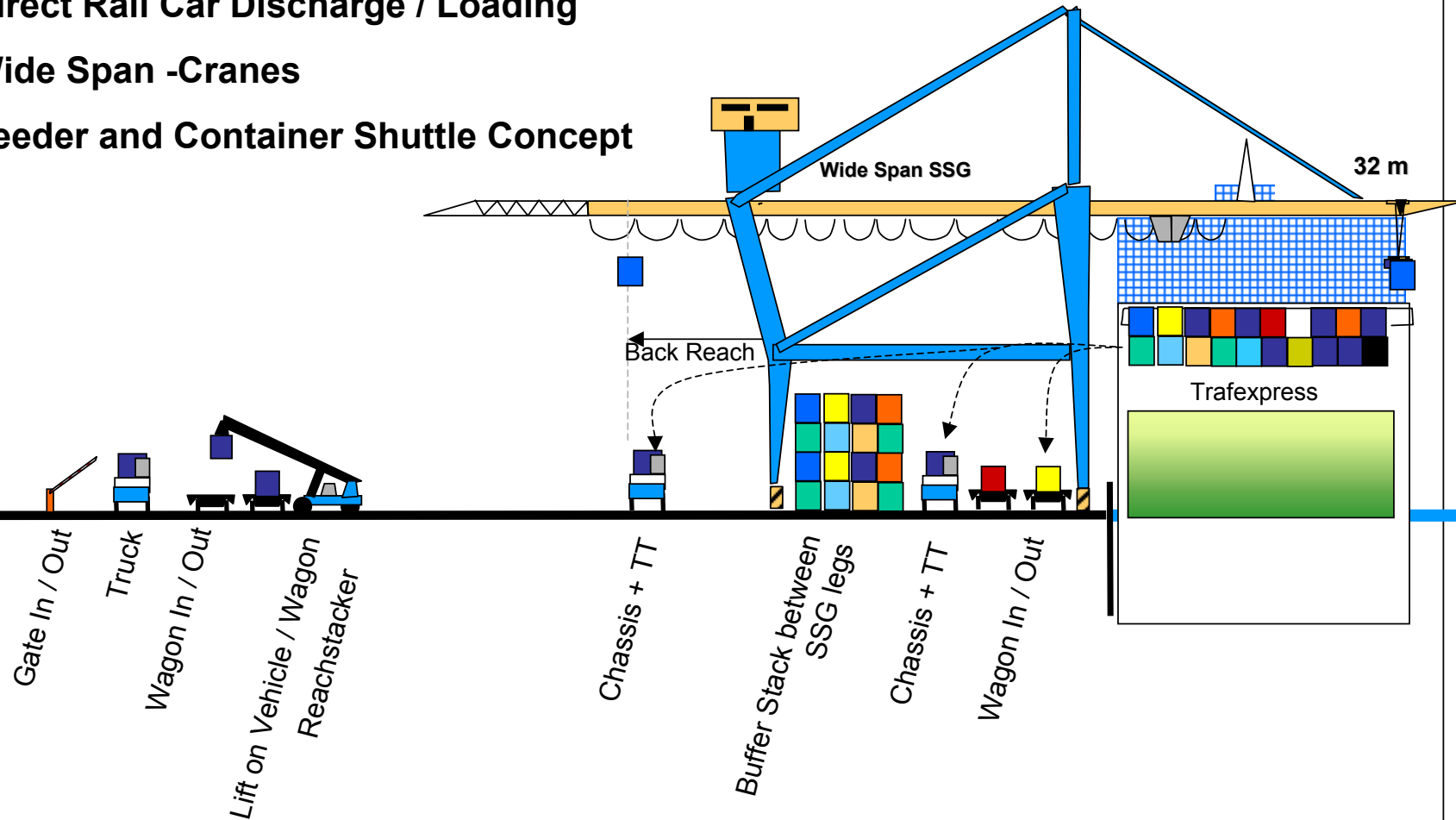
- 400 m of quay wall

- 33 ha container yard



Hamina Container Terminal Concept

- Direct Rail Car Discharge / Loading
- Wide Span -Cranes
- Feeder and Container Shuttle Concept



Hamina Multimodal Terminals Ky.
- New Generation Stevedoring

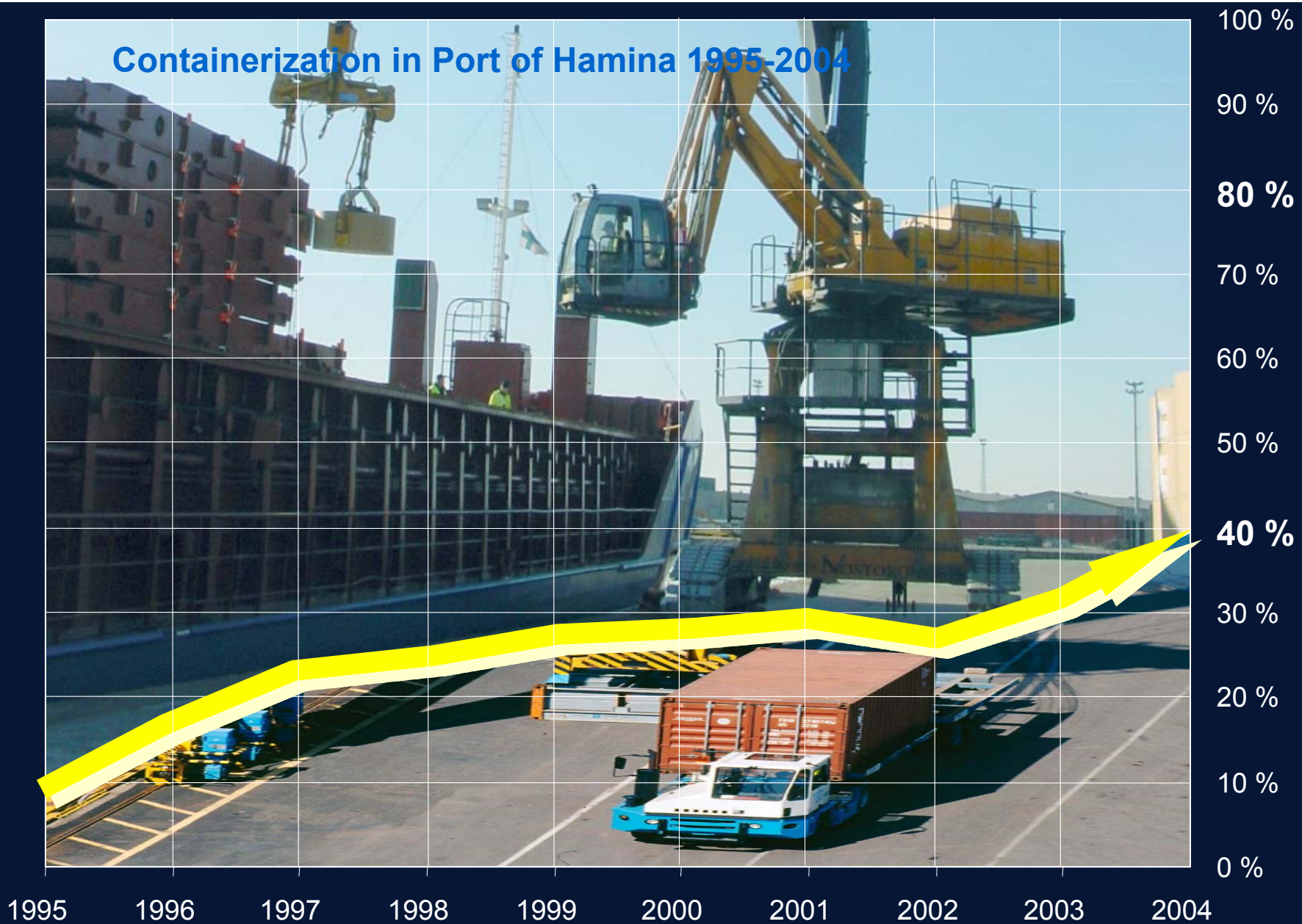
SSG

Ship to Shore Gantry Crane

TT

Terminal Tractor or Tug Master

Containerization in Port of Hamina 1995-2004



PORT OF HAMINA

The most productive container terminal in the Baltic Sea

Over 30 moves / Crane / Hour



HAMINA MULTIMODAL TERMINALS
- NEW GENERATION STEVEDORING

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Port of Hamina Ltd.

EU-4 Double RoRo-Ramp

Capacity for three simultaneous **TrafExpress** vessels



Warehouse development plan. Financing VAL-village



1. Completed **20 000 m²** in 2003 Centos
 2. Completed **10 000 m²** in 2003 Sabox , expansion **10 000 m²** under negotiation
 3. Completed **9000 m²** in 2004 FMC Ltd, expansion option **9000 m²**
 4. Under Construction **20 000 m²**, completed in 2005 DHL, possibility expansion **10 000m²**
 5. Logistic Terminal **20 000 m²**, under negotiation
 6. Site Ready for **16 000 m²** Multimodal Cross Docking terminal, under negotiation
 7. Site ready for **35 000 m²** Multimodal Cross Docking terminal, under negotiation
- Other land reserves **200 Hectares**